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STAT

DIRECTOR OF CENTRAL INTELLIGENCE

18 November 1977, 1430-1530

AGENDA

SUBJECT	TIME
I. Morale in the Directorate of Operations	20 min.
II. The Future of the Directorate of Operations	10 min.
III. Issues in the Directorate of Operations	15 min.
IV. General Discussion	15 min.

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MEMORANDUM FOR: DCI

SUBJECT : Morale in the Directorate of Operations

1. It is our understanding that the Directorate of Operations has a vital, continuing mission to perform and that consistently high Directorate achievements in carrying out this mission are essential to the security of the United States. At the same time, it is our perception that the ability of the Directorate to perform its mission has been increasingly encumbered by directives and legislation. We also feel that the ability of the Directorate to perform its mission has been adversely affected by the current low morale of the Directorate's personnel.

2. Although there have been previous Directorate personnel cuts, we see the current reduction in force as having a devastating effect on already low morale for the following reasons:

a. While recognizing the need for a reduction in force within the Directorate, we do not understand why only this Directorate need be cut or how the number for reduction was chosen.

b. Since the reduction was first announced, personnel have received conflicting, changing information as to who would be affected and how the reduction would be implemented. This situation has led to noticeable tension and anxiety on the part of all personnel. The tension has been heightened by piecemeal revelations of names and will continue until this exercise is completed.

c. The manner in which this cut was executed leads personnel to suspect they may be on the next list. As a result, job security has been severely undermined. Included in the cut were younger officers who cannot retire, who had not been previously notified that their work was unsatisfactory, and who are judged by their colleagues as performing well. Also among the persons

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who have been declared surplus are not only officers eligible for retirement, but also persons just a few months short of retirement.

d. The Directorate is viewed by us as a career service and as a discipline to which we devote our lives. The concept of a professional career in intelligence was severely shaken by what we perceive as an impersonal and brutal reduction of force without apparent consideration of the needs of the service and the "special nature" of the Directorate.

3. To date, the recently completed reorganization of the Directorate has had no real effect on the way in which the Directorate undertakes its mission. As for the reorganization of the Intelligence Community, at this point we have no clear understanding of how this reorganization will affect the Directorate and cannot comment on it.

4. As for pending legislation which will define the charter for the Agency and the Directorate, we have no clear idea of what will be involved. However, based on Executive Orders and directives issued in the past few years, there is a widespread belief among Directorate officers at our level and with our experience that such legislation will be drafted by persons unfamiliar with the Directorate and its functions and that such legislation will probably make it even more difficult to carry out our mission. Thus far, it does not appear that prior consultation with the working elements of the Directorate has been considered before drafting legislation and directives.

5. Finally, Directorate personnel deeply resent the trend of recent developments -- the reorganization, the reduction in force, present and pending legislation. A significant number of Directorate officers feel that they are being punished for doing their assigned jobs in the past, for undertaking activities under direction from outside the Directorate which are now unpopular. We perceive that this belief, with the corresponding effect on morale and performance, will persist until it is refuted by words and actions of the leadership of the Agency and of those outside the Agency who now have responsibilities for oversight and control.

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MEMORANDUM FOR: DCI

SUBJECT : The Future of the Directorate of Operations

1. Considering not only recent occurrences but the trend over the past several years, one is drawn to the inescapable conclusion that the Directorate of the future is one that will be different from the Directorate of the present both in size and scope.

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2. We perceive many of the changes now taking place in the Directorate as possible harbingers of a future Directorate which may not be able to effectively perform its mission.

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3. With the current "opening up" of the Agency to the public, the group tours, press articles about cuts, release of materials to the Congress and others, the credibility of the Directorate case officer's word to keep a source's identity and information secret is being undermined.

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We feel the service must protect its officers, sources and methods through good cover, tight security, and the strict application of the practices of compartmentation and need to know.

4. We also see ourselves working in an increasingly hostile environment. At the same time the Directorate is decreasing in strength, the First Chief Directorate of the KGB - our equivalent in the Soviet service - is increasing its ranks of professionals. Today they number roughly 10,000 with an estimated one third abroad.

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MEMORANDUM FOR: DCI

SUBJECT : Issues in the Directorate of Operations

1. Issue: The current reduction in force and upcoming reductions are having a detrimental effect upon morale.

Recommendation: In order to prevent an even further decline in morale, personnel who are to be declared surplus next June should be notified now. If this is not possible, then the Career Management Staff should advise all personnel in the Directorate of their comparative standings in their grade levels to alleviate tension and anxiety.

2. Issue: There is a lack of understanding within the Directorate as to whether or not the present reduction in personnel has in fact opened up headroom for promotions and if so at which levels. It is rumored that the super-grade personnel who were cut will not be replaced, but their slots will be shifted to other intelligence community components, thus resulting in an overall downgrading of the Directorate.

Recommendation: A clear statement of the facts should be made through classified channels.

3. Issue: The Directorate of Operations continues to lack an effective personnel management system.

a. Recommendation: Enforce the established three-year probationary system for newly hired personnel.

b. Recommendation: An automatic impartial review of all personnel should be made prior to their earliest retirement eligibility to determine whether they are still making a valuable contribution to the Directorate.

c. Recommendation: Promotions in the Directorate should not be permitted to lag behind those in other

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directorates and agencies, nor should promotions to senior levels, i.e., grade 14 and above, continue to depend on 25X1 the willingness of case officers to become managers.

e. Recommendation: Enforce the separation from the Directorate of personnel who fall within the bottom five percent of their grade level for three consecutive years.

f. Recommendation: Recognizing the fact that there has been some progress in the area of overseas assignments, more work remains to be done in sufficiently advertising openings, and gearing personnel assignments to career development.

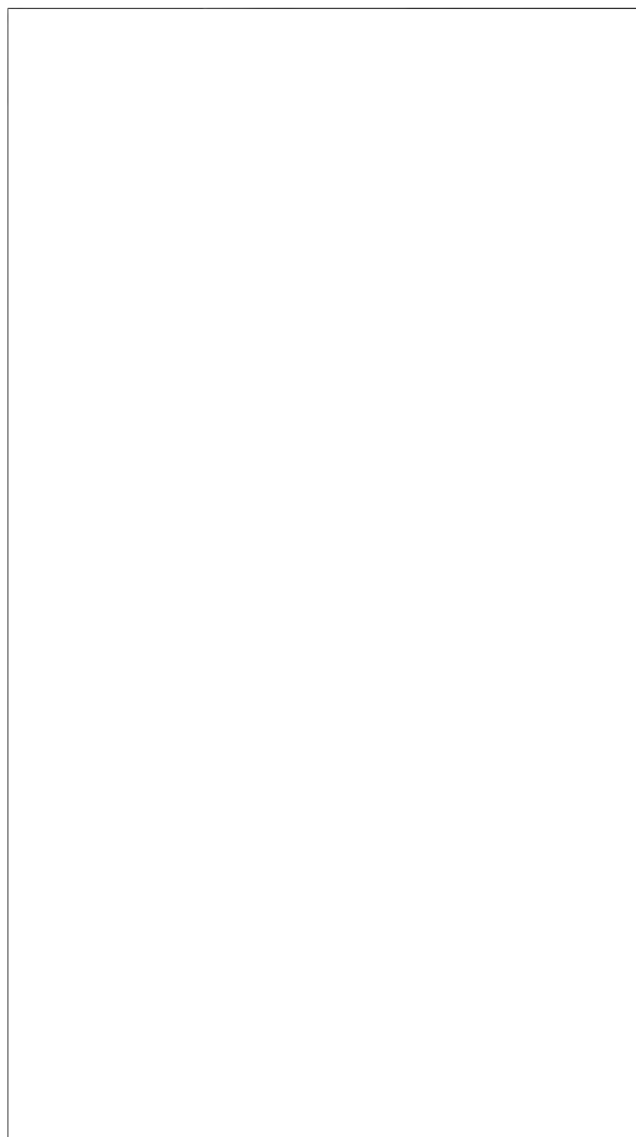
4. Issue: While we are aware that a sincere effort has been made by both the State Department and the Agency to tighten up security and cover in our missions abroad, we feel the Agency must maintain the right to decide when, where, how and under which cover Agency personnel are to be assigned abroad. 25X1

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Participants in Discussion

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GS Grade	Age	EOD
12	35	1968
12	42	1955
12	38	1965
12	51	1955
12	40	1963
12	37	1963
12	34	1966
12	35	1967

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